



JACKIE LACEY
LOS ANGELES COUNTY DISTRICT ATTORNEY

HALL OF JUSTICE
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ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

September 20, 2016

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

38 September 20, 2016

A handwritten signature in cursive script, reading "Lori Glasgow".

LORI GLASGOW
EXECUTIVE OFFICER

Dear Supervisors:

**AUTHORIZE THE DISTRICT ATTORNEY TO COMPLETE AND ACCEPT GRANT FUNDING
FROM THE CALIFORNIA STATE DEPARTMENT OF INSURANCE FOR THE LIFE AND ANNUITY
CONSUMER PROTECTION PROGRAM (LACPP) (ALL DISTRICTS) (3-VOTES)**

SUBJECT

This Board Letter requests authority for the District Attorney's Office to complete and accept grant funding from the California Department of Insurance (CDI) for the Life and Annuity Consumer Protection Program (LACPP) for Fiscal Year 2016-17. Therefore, we are requesting the Chair to sign the required Resolution as required by the grantor.

IT IS RECOMMENDED THAT THE BOARD:

1. Authorize the District Attorney (DA), on behalf of the County of Los Angeles, to complete and accept grant funding from CDI for the Life and Annuity Consumer Protection Program (LACPP) in the amount of \$150,000, which partially offsets the program cost for the period of July 1, 2016 through June 30, 2017.
2. Adopt the attached Resolution authorizing the Los Angeles County District Attorney to complete and accept grant funding and, as an agent for the County, to accept and execute a grant award agreement from CDI. This also includes authorization to approve any extensions or amendments to the grant award that do not affect net County cost.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended action is to continue the DA's commitment to assist and protect consumers of life insurance and annuity products in the State of California, by both the CDI and local district attorneys.

The CDI has invited the District Attorney's Office to participate in the application process for a Life and Annuity Consumer Protection Program (LACPP) grant to enhance the prosecution of life and annuity financial abuse. The District Attorney's Office will use available funding to target the prosecution of cases involving annuity and life insurance fraud, including cases involving elderly victims.

An executed Resolution is required by CDI as part of the grant application.

Implementation of Strategic Plan Goals

Approval of the recommended actions is consistent with the Los Angeles County's Strategic Plan Goal No. 1, Operational Effectiveness/Fiscal Sustainability: Maximize the effectiveness of the processes, structure, operations, and strong fiscal management to support timely delivery of customer-oriented and efficient public services; and Strategic Goal No. 3, Integrated Services Delivery: Maximize opportunities to measurably improve client and community outcomes and leverage resources through the continuous integration of health, community and public safety services.

FISCAL IMPACT/FINANCING

The California Department of Insurance (CDI) has awarded the District Attorney's Office (DA) grant funding in the amount of \$150,000 for the Life and Annuity Consumer Protection Program (LACPP), which partially offsets the program cost. Funding is included in the DA's Fiscal Year 2016-17 budget.

If funding for this program were to be terminated, an evaluation would be conducted to determine whether the program would either be continued with costs absorbed by the department or discontinued with the reallocation of staff to vacant budgeted positions.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The funds for the LACPP are generated by a \$1 fee assessed on all new individual life and annuity products sold to California residents. The fee is assessed on policies with a value of \$15,000 or more. The LACPP allows 50% of the funds to be distributed to selected district attorneys to receive funds which will enable them to make an impact in the area of life and annuity financial abuse.

Under the direction of the Insurance Commissioner, the CDI administers the LACPP and distribution of funds to district attorneys for the investigation and prosecution of life insurance and annuity financial abuse by insurance licensees or persons holding themselves out to be insurance licensees, or any person purporting to be engaged in the business of insurance.

The Resolution has been approved as to form by County Counsel.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

If the District Attorney's Office is awarded grant funding, it will not propose any attorney staff augmentation. Therefore, the District Attorney's Office is not subject to the Board Motion of December 15, 1998, requiring clearance with the Alternate Public Defender, Probation, Public Defender, and Sheriff's Departments.

CONCLUSION

Following Board approval, the Executive Officer-Clerk of the Board is requested to return two copies of the adopted Board letter and two Resolutions, with a wet signature, to Ms. Melanie Rubio, Grants and Contract Section, District Attorney's Office, 211 West Temple Street, Suite 200, Los Angeles, California 90012. Any questions may be directed to Ms. Melanie Rubio at (213) 257-2803.

Respectfully submitted,

A handwritten signature in black ink, reading "Jackie Lacey". The signature is fluid and cursive, with the first name "Jackie" written in a larger, more prominent script than the last name "Lacey".

JACKIE LACEY

District Attorney

mr

Enclosures

c: Executive Officer, Board of Supervisors
Chief Executive Officer
County Counsel

1 **BOARD OF SUPERVISORS**
2 **COUNTY OF LOS ANGELES**

3 **RESOLUTION**

4 Authorizing the District Attorney to Complete a Life and Annuity Consumer
5 Protection Program grant application to the California Department of Insurance.

6 **WHEREAS**, the County of Los Angeles Board of Supervisors
7 desires to undertake a certain program designated Life and Annuity Consumer
8 Protection Program to be funded in part from funds made available through Life
9 and Annuity Consumer Protection Program – Section 10127.17 CIC and
10 administered by the California Department of Insurance.

11 **NOW, THEREFORE, BE IT RESOLVED**, that the District Attorney of the
12 County of Los Angeles is authorized to, on behalf of the Board of Supervisors,
13 complete an application to the California Department of Insurance and execute the
14 Grant Award Agreement, including any extensions or amendments thereof.

15 **BE IT FURTHER RESOLVED**, that the grant funds received
16 hereunder shall not be used to supplant expenditures previously authorized or
17 controlled by this body.

18 I hereby certify that the foregoing is a true copy of the resolution
19 adopted by the Board of Supervisors of the County of Los Angeles in a meeting
20 thereof held on the 20th day of September 2016, by the following:

21 Vote

22 Ayes: Supervisors Ridley-Thomas, Kuehl, Knabe, Antonovich & Solis

23 Noes: NONE

24 Absent: NONE

1 **IN WITNESS WHEREOF**, I have hereunto set my hand and affixed the seal of
2 the Board of Supervisors of the County of Los Angeles this 20th
3 day of September, 2016.



County of Los Angeles

By Hilda F. Solis
Chair, Board of Supervisors

9 APPROVED AS TO FORM
BY COUNTY COUNSEL:

10 MARY C. WICKHAM

11

12 By

Lana Choi

13 Lana Choi
Senior Associate County Counsel

ATTEST: LORI GLASGOW
EXECUTIVE OFFICER
CLERK OF THE BOARD OF SUPERVISORS

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By

Lachelle Smith, Deputy

**Los Angeles County Chief Administrative Office
Grant Management Statement for Grants \$100,000 or More**

Department:	DISTRICT ATTORNEY'S OFFICE
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Grant Project Title and Description	LIFE AND ANNUITY CONSUMER PROTECTION PROGRAM (LACPP)
--------------------------------------------	------------------------------------------------------

The objective of this program is to enhance the criminal investigation and prosecution of life insurance and annuity financial abuse by insurance licensees or persons holding themselves out to be insurance licensees, or any person purporting to be engaged in the business of insurance in Los Angeles County. These grant funds will allow the District Attorney's Office to successfully implement this program through collaborative efforts with the State of California, Department of Insurance (SCDI), and local law enforcement agencies.

Funding Agency	Program (Fed. Grant #/State Bill or Code #)	Grant Acceptance Deadline
CALIFORNIA DEPARTMENT OF INSURANCE	CALIFORNIA INSURANCE CODE SECTION 10127.17	N/A

Total Amount of Grant Funding:	\$150,000	County Match:	\$0
Grant Period	Begin Date: July 1, 2016	End Date:	June 30, 2017
Number of Personnel Hired Under This Grant	Full Time: 1	Part Time:	0

Obligations Imposed on the County When the Grant Expires

Will all personnel hired for this program be informed this is a grant-funded program?	Yes	<u>X</u>	No	_____
Will all personnel hired for this program be placed on temporary ("N") items?	Yes	<u>X</u>	No	_____
Is the County obligated to continue this program after the grant expires?	Yes	_____	No	<u>X</u>
If the County is not obligated to continue this program after the grant expires, the Department will:				
a.) Absorb the program cost without reducing other services	Yes	_____	No	<u>X</u>
b.) Identify other revenue sources (describe below)	Yes	_____	No	<u>X</u>

c.) Eliminate or reduce, as appropriate, positions/program costs funded by the grant.	Yes	<u>X</u>	No	_____

Impact of additional personnel on existing space:

None

Other requirements not mentioned above:

None

Department Head Signature



Date

8/17/14